

Message Text

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ACTION ARA-10

INFO OCT-01 EUR-12 EA-07 ISO-00 FRB-03 EB-08 COME-00

TRSE-00 OMB-01 L-03 PRS-01 SP-02 CIAE-00 INR-07

NSAE-00 DODE-00 /055 W

-----091518Z 087040 /43

R 082232Z MAR 77

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 0976

INFO AMEMBASSY CANBERRA

AMCONSUL HONG KONG

AMEMBASSY JAKARTA

AMEMBASSY KINGSTON

AMEMBASSY LONDON

AMEMBASSY MOSCOW

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY SINGAPORE

PANCANAL

USSOUTHCOM

C O N F I D E N T I A L PANAMA 1643

FOR STATE/COMMERCE

E.O. 11652: GDS

TAGS: PN, BTID, EFIN

SUBJECT: ANDERSON'S CONTEMPLATED VENTURE IN PANAMA

REF: (A) PANAMA 1581 (NOTAL); (B) PANAMA 1537; (C) PANAMA 1502;

(D) PANAMA 0998

SUMMARY: FOLLOWING GOP'S SUSPENSION OF PACIFIC/ATLANTIC BANK

(P/AB) OPERATIONS MARCH 4, DENNIS WONG NOW TRYING TO COME UP

WITH SUFFICIENT MONEY WITHIN 30 DAYS OR ELSE GOP BANKING

COMMISSION WILL LIQUIDATE P/AB. THE BIG QUESTION IS HOW

WILL MOSCOW-NARODNY BANK COLLECT ITS MONEY FROM E. WONG

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ENTERPRISES. END SUMMARY.

1. E. WONG'S SON, DENNIS--IN HIGHLY DISPIRITED MOOD--

CALLED ON COM COUNSELOR LATE MARCH 7. FOLLOWING

DENNIS REPORTS:

2. DENNIS FELT LET DOWN BY ANDERSON GROUP'S HIPEE FOR

NOT PROVIDING THE URGENTLY-REQUIRED FUNDING OF \$100,000 (REF C). SHIPPEE-IN TELEX MESSAGE TO DENNIS MARCH 4-- INDICATED HE WANTED TO MEET WITH GOP MINISTER BARLETTA IN MONTREAL MARCH 9 (REF D) BEFORE SENDING ANY MORE MONEY. SHIPPEE EXPLAINED THAT MEETING WAS INITIATED BY A MR. ERIK FREYER, GERMAN/CANADIAN BROKER, REPORTEDLY A GOP BANKING COMMISSION (BC) CONTACT IN CANADA.

3. GOP STILL IN PROCESS OF APPOINTING "INTERVENTOR" TO RUN P/AB (REF B). ACCORDING TO BC REGULATIONS, DENNIS' PHYSICAL PRESENCE WITHIN P/AB PREMISES PROHIBITED. FAILURE BY DENNIS TO COME UP WITH SUFFICIENT FUNDS WITHIN 30 DAYS, BC SHALL HAVE NO RPT NO ALTERNATIVE BUT TO PROCEED WITH P/AB LIQUIDATION. MR. J.A. SMITH, MOSCOW-NARODNY BANK EXECUTIVE IN LONDON, INFORMED ACCORDINGLY MARCH 4. FATHER WONG ALSO VISITING LONDON TO HAVE TALKS WITH HIM.

4. AS LOCAL FRENCH LENDING INSTITUTIONS (REF C) UNWILLING TO ASSIST, DENNIS NOW PUTTING P/AB BUILDING FOR SALE THROUGH PRIVATE BROKERS FOR \$3 MILLION. DENNIS POINTED OUT WHILE P/AB OFFICES UNDER BC CONTROL, P/AB BUILDING OWNED BY E. WONG'S PANAMA LAND INVESTMENT CORP., AN OFFSHORE FINANCING, INVESTMENT AND BROKERAGE FIRM, ALSO LOCATED WITHING THE P/AB BUILDING. DENNIS BELIEVES, BECAUSE OF THIS ARRANGEMENT, GOP UNABLE TO CONFISCATE P/AB BUILDING. E. WONG ALSO TRYING TO SELL PENINSULA NATIONAL BANK, BURLINGAME, CALIFORNIA FOR \$1.2 MILLION.

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5. ACCORDING TO DENNIS, P/AB'S CURRENT OVERALL FINANCIAL PICTURE NOT BAD AS PRESENTED BY BC. P/AB'S TOTAL INDEBTEDNESS TOWARD DEPOSITORS ABOUT \$800,000 AND "SOLID" RECEIVABLES \$5 MILLION, AFTER SUFFERING \$2 MILLION FROM BILL COLLECTION LOSSES.

6. DENNIS-BRITISH SUBJECT FROM HONG KONG--PLANNING TO CALL ON BRITISH AMBASSADOR VERY SHORTLY TO REQUEST HIS SUPPORT IN THE THE EVENT HIS PERSONAL SAFETY AND AND THAT OF HIS FAMILY WERE EVER BEING THREATENED. HE HINTED HE WOULD THEN BE PREPARED TO LEAVE PANAMA THROUGH THE CANAL ZONE.

7. COMMENTS: AS WE JUST CANNOT TRUST ANYBODY AT THIS STAGE, WE FELT IT ADVISABLE NOT TO INFORM HIM OF MINISTER BARLETTA'S CANCELLATION OF HIS TRIP TO THE U.S. MARCH 8 AND OF HS WILLINGNESS TO RECEIVE ANDERSON GROUP REPS HERE. (REF A).

8. ACTION REQUESTED FROM LONDON: ANY INFO ON MOSCOW-

NARODNY REACTION TO RECENT HAPPENINGS HERE AND ANY MEASURES IT MAY CONTEMPLATE TO COLLECT FROM E. WONG ENTERPRISES WOULD BE OF PARTICULAR INTEREST. THIS IS ESPECIALLY TRUE WHEN RUMORS STILL CIRCULATE OF POSSIBLE TAKEOVER OF P/AB BY MOSCOW-NARODNY (REF D).

JORDEN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DIPLOMATIC DISCUSSIONS, BANKS, DEBT REPAYMENTS, MEETING REPORTS
Control Number: n/a
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Sent Date: 08-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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Disposition Remarks:
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Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
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